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DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-33-2019]

Foreign-Trade Zone (FTZ) 29 – Louisville, Kentucky

Notification of Proposed Production Activity

Hitachi Automotive Systems Americas, Inc.

(Automotive Components)

Harrodsburg and Berea, Kentucky

Hitachi Automotive Systems Americas, Inc. (Hitachi) submitted a notification of proposed production activity to the FTZ Board for its facilities in Harrodsburg and Berea, Kentucky. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on May 2, 2019.

Hitachi already has authority to produce automotive components within Subzone 29F. The current request would add foreign status materials/components to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status materials/components described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Hitachi from customs duty payments on the foreign-status materials/components used in export production. On its domestic sales, for the foreign-status materials/components noted below, Hitachi would be able to choose the duty rates during customs entry procedures that apply to the finished products described and approved in prior requests, including: electric-hybrid drive systems; mass air sensors; throttle bodies and chambers; starter motors; motor/generator units; alternators; distributors; static converters; inverter modules; rotors/stators; batteries; ignition coils; sensors and modules; fuel injectors; emissions control equipment; valves; pumps; automotive battery management systems; fuel rail

Assemblies; and, electronic control units for engines and transmissions (duty rate ranges from duty-free to 4.4%). Hitachi would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The materials/components sourced from abroad include cooling sheets and wire harnesses (duty rate ranges from 5 to 5.8%). The request indicates that certain materials/components are subject to special duties under Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Elizabeth Whiteman at Elizabeth.Whiteman@trade.gov or (202) 482-0473.

Dated: May 3, 2019.

Andrew McGilvray,
Executive Secretary.

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